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103D CONGRESS
1ST SESSION

S. 1190

To require the Secretary of Health and Human Services to establish an America Cares Program to provide for the establishment of demonstration projects for the provision of vouchers and cash contributions for goods and services for homeless individuals, to provide technical assistance and public information, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 1 (legislative day, JUNE 30), 1993

Mr. BINGAMAN (for himself, Mrs. FEINSTEIN, and Mr. HARKIN) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

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A BILL

To require the Secretary of Health and Human Services to establish an America Cares Program to provide for the establishment of demonstration projects for the provision of vouchers and cash contributions for goods and services for homeless individuals, to provide technical assistance and public information, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "America Cares Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) up to 5,000,000 Americans are homeless;

(2) homeless Americans lack access to basic goods and services;

(3) many Americans who are not homeless would like to help the homeless meet their basic needs;

(4) cash contributions, in response to one-to-one requests on the street, are not always the most effective way to assist homeless persons in obtaining food, clothing, and services;

(5) the Federal Government should facilitate the desire of private persons to help the homeless;

(6) a successful model program, Berkeley Cares, permits private persons and organizations to purchase vouchers for homeless individuals for redemption for goods and services at participating businesses and to make contributions to Berkeley Cares to purchase vouchers for distribution by homeless service providers; and

(7) such a program is viable on a National level.

SEC. 3. PURPOSE.

It is the purpose of this Act—

(1) to establish the America Cares Program;

(2) to coordinate public goodwill with the needs of homeless individuals in a constructive manner;

(3) to assist homeless individuals to gain access to basic goods and services;

(4) to encourage increased citizen understanding of homelessness; and

(5) to increase public support of homeless service programs.

SEC. 4. DEFINITIONS.

For the purposes of this Act:

(1) ELIGIBLE NONPROFIT ORGANIZATION.—The term "eligible nonprofit organization" means a local nonprofit entity—

(A) that is established or seeking establishment (subject to approval) as an exempt organization as described in section 501(c)(3) of the Internal Revenue Code of 1986; and

(B) that desires to establish a program in a local area to—

(i) provide—

(I) vouchers to homeless individuals; or

(II) cash contributions to participating homeless service providers to

purchase vouchers to provide to homeless individuals; and

(ii) conduct an educational program concerning homelessness.

(2) HOMELESS INDIVIDUAL.—The term "homeless individual" has the same meaning given the term under section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

(3) HOMELESS SERVICE PROVIDERS.—The term "homeless service providers" means nonprofit entities that provide services to homeless individuals.

(4) PARTICIPATING RETAIL ESTABLISHMENT.—The term "participating retail establishment" means any retail establishment that is approved by an eligible nonprofit organization grantee under section 5(b)(11) to accept vouchers for the payment of goods or services.

(5) PARTICIPATING HOMELESS SERVICE PROVIDERS.—The term "participating homeless service providers" means nonprofit entities that—

(A) provide services to homeless individuals; and

(B) are approved by an eligible nonprofit organization grantee under section 5(b)(12)—

(i) to receive cash contributions—

(I) to purchase vouchers to provide to homeless individuals; or

(II) to use for the provision of services to homeless individuals;

(ii) to receive vouchers provided under section 5(a)(10) to provide to homeless individuals; or

(iii) to accept and redeem vouchers from homeless individuals for the payment of services.

(6) PROGRAM.—The term "Program" means the America Cares Program established under section 5(a).

(7) RETAIL ESTABLISHMENT.—The term "retail establishment" means any retail establishment offering goods or services for sale.

(8) SECRETARY.—The term "Secretary" means the Secretary of the Health and Human Services.

(9) STATE.—The term "state" means each of the several States of the United States and the District of Columbia.

SEC. 5. AMERICA CARES PROGRAM.

(a) ESTABLISHMENT.—The Secretary, in accordance with this Act, shall establish and carry out a program to

benefit homeless individuals in America, to be known as the America Cares Program.

(b) DEMONSTRATION GRANTS.—

(1) IN GENERAL.—In carrying out the Program established under subsection (a), the Secretary shall award grants to not less than 60 eligible nonprofit organizations to carry out demonstration projects to—

(A) provide—

(i) vouchers to homeless individuals under the program requirements in paragraph (7)(A); or

(ii) provide vouchers to homeless individuals under the program requirements in paragraph (7)(A) and cash contributions to participating homeless service providers under the program requirements in paragraph (7)(B); and

(B) conduct an educational outreach program within the community at large on homelessness and the voucher program.

(2) SPECIAL RULE.—In awarding grants under paragraph (1), the Secretary shall award grants to eligible nonprofit organizations that have the highest likelihood of carrying out the purposes of this Act.

(3) USE OF GRANT.—Grants awarded for the establishment of demonstration projects under paragraph (1) shall be used to cover the startup costs for such projects.

(4) AMOUNT AND MATCHING REQUIREMENT.—

(A) AMOUNT.—A grant awarded under this section shall be for an amount that is not in excess of $60,000.

(B) MATCHING REQUIREMENT.—

(i) IN GENERAL.—The Secretary may not make a grant to an eligible nonprofit organization under this Act unless such organization agrees to make available non-Federal contributions by private or local government sources toward the cost of carrying out the program established with amounts received under the grant in an amount equal to at least 25 percent of the amount of funds provided under the grant.

(ii) IN-KIND CONTRIBUTIONS.—The non-Federal share of payments under paragraph (1) may be in-kind, including staff services.

(5) DISTRIBUTION AND ALLOCATIONS.—

(A) GENERAL DISTRIBUTION.—The Secretary shall award grants under paragraph (1) through a method that ensures that such awards are distributed to demonstration projects that collectively establish—

(i) diverse program requirements with respect to the categories for which vouchers may be redeemed under paragraph (7)(A)(ii); and

(ii) diverse program requirements with respect to the methods through which vouchers may be distributed under paragraph (7)(A)(iv).

(B) ALLOCATIONS FOR PROJECTS IN A STATE.—The Secretary shall ensure that not less than one grant shall be awarded under paragraph (1) in each State and the District of Columbia to an eligible nonprofit organization that submits an application under paragraph (8) to receive financial assistance to carry out any demonstration project described in paragraph (1) in such State and the District of Columbia.

(6) DURATION.—A grant awarded under this section shall not exceed 1 year.

(7) PROGRAM REQUIREMENTS.—

(A) VOUCHERS FOR HOMELESS INDIVIDUALS.—The Secretary may not award a grant under this section to an eligible nonprofit organization that desires to provide vouchers to homeless individuals unless such organization agrees to the following:

(i) Create vouchers to provide to homeless individuals under paragraph (9)(A).

(ii) Permit vouchers to be redeemed for at least one or more of the following categories of goods and services:

(I) Food and personal hygiene items.

(II) Food, personal hygiene items, stamps, or other consumer goods (except alcohol, tobacco, or pornography), and bus fare.

(III) Any goods and services (including services provided by participating homeless providers) except alcohol, tobacco, or pornography.

(iii) Prohibit the use of vouchers for gambling or gambling related purposes.

(iv) Distribute vouchers to homeless individuals through one or more of the following methods:

(I) Sell vouchers directly to retail establishments that agree to sell such vouchers to persons who desire to give such vouchers to homeless individuals. The eligible nonprofit organization shall require such retail establishments to make payment for such vouchers on the date of delivery or not later than 30 days from the date of the sale of a voucher to a person.

(II) Sell vouchers directly to local retail establishments and public entities, including the United States Post Office and the Social Security Administration, that agree to sell such vouchers to persons described in subclause (I). The eligible nonprofit organization shall require such retail establishments and public entities to make payment to such organization for such vouchers as required by subclause (I).

(v) Approve applications submitted under paragraph (11) or (12) by retail establishments or participating homeless service providers that desire to accept and redeem vouchers under the Program.

(B) CASH CONTRIBUTIONS FOR PARTICIPATING HOMELESS SERVICE PROVIDERS.—The Secretary may not award a grant under this section to an eligible nonprofit organization that desires to provide cash contributions given by the public to participating homeless service providers unless such organization agrees to—

(i) allow one or more of the entities described in subparagraph (A)(iv)—

(I) to accept such cash contributions; and

(II) not later than 45 days from the receipt of such cash contributions, to transfer such cash contributions to such organization to be equitably distributed to participating homeless service providers; and

(ii) approve applications submitted under paragraph (12) by homeless service

providers that desire to be provided cash contributions under the Program.

(8) APPLICATION.—

(A) IN GENERAL.—To be eligible to receive a grant under this section, an eligible nonprofit organization shall prepare and submit to the Secretary an application in such form, at such time, and in accordance with such procedures as the Secretary shall establish.

(B) ASSURANCES.—Each application submitted under subparagraph (A) shall provide assurances that an eligible nonprofit organization will meet the applicable program requirements under paragraph (7).

(9) CREATION, DISTRIBUTION, PURCHASE AND USE OF VOUCHERS.—

(A) CREATION AND DISTRIBUTION.—An eligible nonprofit organization grantee that carries out a demonstration project under this section shall create the vouchers that are to be provided to homeless individuals through the demonstration project. Such grantee shall make such vouchers available for sale to the public in accordance with the program requirements under paragraph (7)(A)(iv). Vouchers shall be

simple in design and shall include only such words or illustrations as are required to explain the purpose of the vouchers and define the denomination of the vouchers. The name of any public official shall not appear on the vouchers.

(B) PURCHASE.—A person may purchase a voucher distributed under subparagraph (A) and may give such voucher to a homeless individual or to a participating homeless service provider to provide to homeless individuals.

(C) USE BY HOMELESS INDIVIDUALS.—

(i) IN GENERAL.—An eligible nonprofit organization shall permit, in accordance with the program requirements under subparagraph (A)(ii) of paragraph (7), the appropriate retail use of vouchers by homeless individuals, subject to the limitations under such subparagraph.

(ii) PRICES.—Nothing in this Act shall be construed as authorizing the Secretary to specify the prices at which goods or services may be sold by participating retail establishments or participating homeless service providers, except that the participating retail establishments or partici-

pating homeless service providers may neither charge a higher price for goods or services purchased with vouchers nor charge a fee for accepting vouchers.

(iii) CASH VALUE.—

(I) IN GENERAL.—Subject to subclause (III), vouchers shall not be redeemable for cash and shall have no cash value.

(II) CHANGE FOR PURCHASES WITH VOUCHERS.—A homeless individual using a voucher or vouchers to purchase a good or service shall not receive cash as change if the amount of a purchase is less than the value of the voucher or vouchers.

(III) CHANGE FOR PURCHASES WITH VOUCHERS AND CASH.—A homeless individual using a voucher and cash, or vouchers and cash, to purchase a good or service shall not receive cash as change from the purchase, except that such change may be received if the amount of the cash

used exceeds the amount of such voucher or vouchers.

(10) ELIGIBILITY FOR RECEIPT OF VOUCHERS.—Persons purchasing vouchers may provide the vouchers to homeless individuals, or to participating homeless service providers to provide to homeless individuals, on a discretionary basis.

(11) PARTICIPATING RETAIL ESTABLISHMENTS.—

(A) APPLICATIONS.—Regulations issued pursuant to this Act shall provide for the submission of applications to eligible nonprofit organization grantees by retail establishments that desire to accept and redeem vouchers under the Program.

(B) APPROVAL.—In considering an application submitted under subparagraph (A), the eligible nonprofit organization grantee shall consider—

(i) the nature and extent of the business conducted by the applicant and the extent to which the applicant can provide goods and services;

(ii) the business integrity and reputation of the applicant; and

(iii) any other factors the Secretary may prescribe by regulation.

(C) CERTIFICATE OF APPROVAL.—On approval of an applicant under this paragraph, the eligible nonprofit organization grantee shall issue the applicant a nontransferable certificate of approval.

(12) PARTICIPATING HOMELESS SERVICE PROVIDERS.—

(A) APPLICATIONS.—Regulations issued pursuant to this Act shall provide for the submission of applications to eligible nonprofit organization grantees by homeless service providers that desire—

(i) to receive cash contributions

(I) to purchase vouchers to be provided to homeless individuals; or

(II) to be used for the provision of services to homeless individuals;

(ii) to receive vouchers provided by persons described in paragraph (10) to be provided to homeless individuals; or

(iii) to accept and redeem vouchers from homeless individuals for the payment of services.

(B) APPROVAL.—In considering an application submitted under subparagraph (A), the eligible nonprofit organization grantee shall consider any factors the Secretary may prescribe by regulation.

(C) CERTIFICATE OF APPROVAL.—On approval of an applicant under this paragraph, the eligible nonprofit organization grantee shall issue the applicant a nontransferable certificate of approval.

(13) REDEMPTION OF VOUCHERS.—Regulations issued pursuant to this Act shall provide for the redemption of vouchers accepted by participating retail establishments or participating homeless service providers.

(c) TECHNICAL ASSISTANCE AND PUBLIC AWARENESS.—

(1) ASSISTANCE.—The Secretary is authorized to enter into contracts with entities that carry out programs that are—

(A) in existence on the date on which the Secretary and the entity enter into the contract;

(B) similar to the demonstration projects described in subsection (b)(1); and

(C) able to provide support and follow up assistance to grantees from such grantees' startup phase through such grantees' final reporting under section 6(b),

to provide technical assistance to eligible nonprofit organizations to assist such organizations in carrying out the purposes of this Act.

(2) AWARENESS.—The Secretary shall inform the public of the location of local demonstration projects that are established by an eligible nonprofit organization grantee under this Act.

(d) REGULATIONS.—The Secretary shall issue such regulations consistent with this Act as the Secretary considers necessary or appropriate for the effective and efficient administration of the Program.

(e) FINES AGAINST UNAUTHORIZED THIRD PARTIES THAT ACCEPT VOUCHERS.—The Secretary may impose a fine against any person not approved by an eligible nonprofit organization grantee to accept vouchers and who violates any provision of this Act, including violations concerning the acceptance of vouchers. The amount of any such fine shall be established by the Secretary and may be assessed and collected in accordance with regulations issued under this Act separately, or in combination, with any fiscal claim established by the Secretary. The Attor-

ney General may institute judicial action in any court of competent jurisdiction against the person to collect the fine.

SEC. 6. REPORTS.

(a) CONGRESSIONAL.—Not later than 1 year after the establishment of the Program, the Secretary shall prepare and submit to Congress a report evaluating the Program. Such report shall include the following:

(1) The number of participating retail establishments, listed according to the type of goods or services provided.

(2) The number of vouchers sold and redeemed, broken down by geographic area.

(3)(A) A determination of the eligible nonprofit organization grantees that are successful in carrying out demonstration projects under this Act.

(B) With respect to each such eligible nonprofit organization grantee that is determined to be successful under subparagraph (A), a description of—

(i) the categories of goods and services for which the grantee permits vouchers to be redeemed under section 5(b)(7)(A)(ii); and

(ii) the methods used by the grantee to distribute vouchers under subparagraph (A)(iv) of section 5(b)(7).

(C) A recommendation on the categories described in subparagraph (B)(i) and the methods described in subparagraph (B)(ii) that would be optimal for use by an entity to carry out a voucher program.

(4) A description of the impact of the Program on other programs designed to meet the needs of homeless individuals, including the Stewart B. McKinney Homeless Assistance Act (Public Law 100–77) and amendments made by such Act.

(5) A description of the demographic impact of the Program on homeless individuals in America.

(b) SECRETARY.—Not later than 1 year after the receipt of a grant award under section 5(b)(1) to carry out a demonstration project under this Act, an eligible nonprofit organization shall prepare and submit to the Secretary a report evaluating the demonstration project, as described under section 5(b)(1). Such report shall include a description of how such organization will continue to carry out its program to provide vouchers for homeless individuals or homeless individuals and participating homeless service providers.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act for fiscal year 1994 and each of the subsequent fiscal years.

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